



*Connecticut Association of Area Agencies on
Aging Representing:
Agency on Aging of South Central CT
North Central Area Agency on Aging
Western CT Area Agency on Aging
Senior Resources - Agency on Aging Eastern CT
Southwestern CT Agency on Aging*

**To: Honorable Senator Mae Flexer, Co-chairperson and Honorable
Representative Joseph Serra, Co-chairperson and Members of the
Aging Committee**

DT: Submitted February 17, 2015

**RE: Raised Bill 860, An Act Concerning Presumptive Medicaid
Eligibility for Home Care**

To support Governor Malloy's policy initiative to move from institutional care to community-based care, the Connecticut Association of Area Agencies on Aging (C4A) recommends that "Presumptive Eligibility" be initiated by the Department of Social Services and the regional Access Agency when assessing potential clients for the Medicaid Elder Waiver program.

Background

The term "Presumptive Eligibility" describes a process by which an applicant is temporarily accepted for Medicaid and can receive services following an initial screening. If the applicant meets the basic functional and financial eligibility criteria, the applicant can immediately begin receiving services or care funded by Medicaid.

The applicant must still be approved by the Department of Social Services but the application process would not delay services. This change would increase the number of diversions from more costly institutional care. The formal Medicaid application process can begin immediately following the Presumptive Eligibility action, but waiting on Medicaid approval would not delay care. The applicant's failure to submit the required application documents would result in immediate termination of services and the applicant would be held responsible for the expenditures to date. If the applicant is not approved at this point, past expenditures may be paid through State funds or, in the case of false statements, recoupment from the applicant.

Connecticut has established Presumptive Eligibility for pregnant women in low-income families. The policy grants immediate, temporary health coverage through Medicaid to women meeting the basic eligibility guidelines. The goal was to quickly start prenatal

care and reduce infant mortality and costly medical interventions by funding services during the waiting period for final approval. The Affordable Care Act extends this coverage to patients in need of hospitalization. Offering the provision to eligible applicants of the CT Home Care Program for Elders will enhance the State's ability to cost shift from more costly institutional care.

Advantages

Connecticut Home Care applicants are frail elderly adults who face the risk of nursing home placement because they are not able to provide self-care. If institutionalized, they are at risk of losing their homes in the community and face increased impairment due to high rates of infection in institutional settings with longer recovery times.

Presumptive eligibility has been used for a number of years in other states, such as Ohio, Pennsylvania, Washington, and Iowa.

The advantages are:

- More Federal money is pulled into the state through Medicaid.
- The case is expedited with the client receiving services more quickly.
- There is less risk of premature nursing home placement due to faster provision of in-home services.
- Applications are completed more thoroughly with low error rates (less than 2% reported in other states).
- WA's PE program helped shrink the average wait time required to determine Medicaid financial eligibility by 66% (from 37 days to 17 days).¹
- WA officials determined that PE clients saved Medicaid an average of \$1,964 a month by authorizing HCBS for people who would have entered an institution if services were delayed.²

Issues

There is the possibility that an applicant could be determined to be eligible by the initial assessment and later found to be ineligible by the state because of client misrepresentation or other errors in the initial assessment. Funds expended during the time between the initial assessment and the state's approval process would need to be paid through the State's Medicaid Waiver Administrative funds. While this is a concern, historically there is a very low error rate (fewer than 2%) for the initial screening and there would not be a large amount of Administrative funds required.

For further information on programs and services offered through the Connecticut Association of Area Agencies on Aging:

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¹ Robert Mollica, *Expediting Medicaid Financial Eligibility*. National Academy for State Health Policy (2004), pp. 5.

² Robert Mollica, *Expediting Medicaid Financial Eligibility*. National Academy for State Health Policy (2004), pp. 6.